DOCUMENT RESUME

ED 170 000 JC 790 309

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TITLE Proposition 13--First Year Effects: An ACCT Special Report to Trustees and Chief Executives of California's Community Colleges.
INSTITUTION Association of Community Coll. Trustees, Washington, D.C.
PUB DATE 22 Mar 79
NOTE 9p.

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Community Colleges; *Financial Problems; *Governance; *Junior Colleges; Reduction in Force; *Retrenchment; School District Autonomy; State Surveys
IDENTIFIERS *California; *Proposition 13 (California 1978)

ABSTRACT

To assess the first year effects of Proposition 13, informal interviews and discussions were conducted with the college presidents and trustees at 37 California community colleges in January 1979. As a whole, the college boards were committed to carrying out the mandate of Proposition 13, though there seemed to be a struggle as to who would control the community colleges--the governor, the legislature, or the Board of Governors. There was 75% agreement that local control was dead. The general public did not see that the Proposition had caused many problems, had affected numerous programs, and had resulted in retrenchment. Retrenchment strategies that were indeed utilized by the colleges included: (1) reduction in hourly/part-time certified instructors; (2) layoffs of classified personnel; (3) community services placed on a "pay as you go" basis; (4) elimination of or class reductions in summer school; (5) trustee, administration, and faculty travel budget reductions; (6) elimination of capital construction projects; (7) curtailment of plant maintenance; and (8) cutbacks of from 20% to 80% in library book acquisitions. Other conditions related to the law include the declining enrollment rate and unionization in about 33% of the colleges which was associated with low faculty morale and low threshold credibility between management and faculty. (MB)

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PROPOSITION 13 - FIRST YEAR EFFECTS

AN ACCT SPECIAL REPORT

To

Trustees and Chief Executives of

California's Community Colleges

by

William H. Meardy, ACCT Executive Director

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INTRODUCTION

From January 2 to February 2, 1979, I drove 5,683 miles - all within the state of California. Thirty-seven community college campuses were visited. Discussions were held pertaining to the effect that Proposition 13 has had on those colleges. Contacts were made with 37 community college presidents and with over 100 trustees. Interviews were held ranging from informal discussions with a single chief executive to a presentation with an entire governing board sitting on the stage of a little theater. Over 400 concerned citizens were sitting in the audience at that time.

I did not go to California with a preformed, sophisticated or scientific questionaire. I had no preconceived ideas nor any opinions to verify. I went there on a person to people basis in order to interview, to perceive, to understand, to grasp, to measure and to assess the attitudes and responses of those members of the community college family most impacted by the effects of Proposition 13.

If I had a hidden agenda, I suppose that as a former student personnel administrator (in California) I really wanted to see what effect Proposition 13 was having on the students, and the quantity and the quality of the community college educational program. All of my questions and investigation led to the bottom line - the students. This trip was designed to assess what is happening to students and, given the same set of circumstances, what is going to happen to them next year and the years following.

PERCEPTIONS/CONCERNS/PREDICTIONS

As a former California resident (19 years) and as a continuing property owner in that state, I am not certain how I would have voted on Proposition 13. Division existed among the members of our own community college family as I observed it during the CCCT meeting in Monterey just prior to the June 6, 1978 balloting. Indeed, the property taxes on our California home did decline by 57%. I have to feel good about that because we were in need of property tax relief. But, at the some time, I was concerned about the effects of Proposition 13 on education in general and community college education in particular.

My first perception was dramatic. It became readily apparent that boards, as a whole, and as representatives of the people, are committed to carrying out the mandate reflected by the overwhelming vote in favor of Proposition 13.

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Trustees appear to be dedicated to carrying out that mandate even though they are convinced that the people did not set out to punish, reduce or restrict education - especially community college education. Trustees' and chief executives' attitudes reflected that they were going to reduce expenditures sufficiently to maintain a balanced budget - not only this year but next year and in the future. There were no exceptions.

My second perception concerns the struggle that appears to be in progress as to who is going to control the community colleges in California.

Is control going to be by one man - the governor? Is it going to be by the largest school board in the country - the California State Legislature? How about the Department of Finance or CPEC? Where does the California Board of Governors fit into the picture? And, what about the local governing boards? Is local control dead?

Seventy-five percent of all trustees and chief executives that I talked with told me that local control was indeed dead. When seventy percent of the money comes from Sacramento, so does seventy percent of the "strings" or controls. Of the remaining twenty-five percent, one board told me that local control was not affected at all. The others indicated some degree of loss of control.

If it is already true or if it is going to be true that local control in California is dead, then I am seriously concerned. The level of boardsmanship among California's community college trustees has always been among the highest in the country. If these same boards see their traditional policy-making authority eroded to the level that they become, in effect, only advisory boards, then I must predict that the quality of trustees in California over the next decade will greatly diminish. Present trustees will declare, "If I am to become only an advisor, then let someone else do it. I am too busy."

Financial disclosure laws have already had some impact on the number of quality trustees who volunteer their services. Relegating today's trustee to that of serving only on advisory boards could well prove the death knell to the typical board member serving California's districts today.

My third perception is that the general public does not seem to see that the action they took in voting for Proposition 13 has caused many problems. While they may be slightly inconvenienced, due to some reductions in class offerings, they do not see much evidence that Proposition 13 is having much effect on the college program. The campus is still there, classes are still being taught, the grass is still being cut, and students still are seen on campus. It appears on the surface that all is business as usual. What the general public fails to see, or believe, is that cuts have been made. What they do not realize is that further cuts will impact significantly on either the quality or quantity of education, or both. Based on my observation, the general public is in for a rude awakening, either during the coming year, or certainly the next year. Obviously, this prediction will fail to materialize if the so called "bail out money" is increased or if some alternate source of funding is found and provided for community colleges.

I feel the need for a warning concerning alternate sources of financing. If sources are found, that would fly in the face of Proposition 13. For example, transferring taxes from a property base to some other base will not be met with public favor. Not one trustee told me that he or she hoped for alternate sources of funding. What I heard was the determination on the part of boards to carry out the mandate of the people. Trustees appear to want to provide for a cost efficient, high quality educational program stripped of everything but the necessities and all within a balanced budget. Admittedly, some programs, social services, educational fringe benefits and, yes, some people are going to be hurt. But the restraints and the cuts will take place. I do not think that the general public believes that severe cuts will ever happen. The real drama in California has yet to be played out.

I saw a rehearsal of what is going to take place on many campuses. More than halfway through my tour I was afforded the opportunity to present a report similar to this one to an assembled board of trustees during a regularly scheduled board meeting. What was different about this meeting was the fact that the board was sitting at tables placed on the stage of the little theater. Even more surprising was the fact that over 400 people were sitting in the audience. The reason was an agenda item -- "whether or not to have summer school." Every special interest group was represented; the V.F.W., the disadvantaged, minority representatives, women's groups, the elderly, the handicapped, students and townspeople. Obviously many (if not most) of these people voted for Proposition 13. And I believe each individual was thinking, "It is okay to cut back and maintain a balanced budget, but cut back in some other area. Do not touch my particular interest." I predict that that drama will be reenacted countless times during the next eighteen months in many colleges throughout the state.

Assuming that my observations thus far were true, I tried to structure my report to that board and to the assembled audience in a manner that might help to bridge the gap between what the audience desired and the realities of the financial constraints being placed upon the college administration and the board of trustees. I reminded the audience that two-year postsecondary education in California was fortunately still the responsibility of lay citizen representatives of the people.

I reminded the audience that whatever decisions were made would be made in the best interests of the students given the financial ability to do so. I also forewarned the audience that the really hard decisions had not even begun to be made - but they will be made in the months to come. Unless the present direction is altered "Doomesday '80" is not far away.

RETRENCHMENT STRATEGIES UTILIZED BY CALIFORNIA COMMUNITY COLLEGES

1) Unlike the Board of Governor's report I did not find any college that followed through and permanently laid off a full-time certificated instructor. However, in over ninety percent of the cases where a full-time certificated instructor retired or resigned, that position was not refilled.

2) Hourly/part-time certificated instructors were greatly affected. Their numbers were significantly reduced.

3) Classified layoffs were made by the hundreds throughout the state. I found only one college that did not lay off any classified employees.

4) Community services in nearly every district were put on a "pay as you go" basis. However, I found many different definitions as to what constituted "pay as you go."

5) As a group, administration seems to have been affected the most. Whether true or not, the charge that there has been too much "fat" in administration has caused the number of administrators to be reduced significantly. In only rare cases were any administrators laid off or reassigned. Again, attrition through retirements and/or resignations were utilized to reduce their numbers.

   In regard to administrators, I found another surprise. Quite a few faculty members earn more money each year than some junior administrators. By teaching night school and summers faculty salaries were over $30,000 in not a few instances.

   Although this is a controversial prediction, I do feel that the quality of administration during the next decade will diminish somewhat. With some administrative jobs being combined and the gap in salaries between faculty and administrators narrowing, I predict that some highly talented young people may make a career choice of teaching, business or industry as more rewarding.

6) In about one-third of the colleges summer school was eliminated entirely or class offerings were significantly reduced.

7) Board of trustee, administration and faculty travel budgets were reduced to a great degree.

8) Capital construction projects were eliminated except in those instances where they were already underway and funding had been provided.

9) In over ninety percent of the districts, plant maintenance was severely and in some cases drastically curtailed. This will have serious repercussions if allowed to continue. The cost of plant replacement as opposed to an on-going program of plant maintenance will eventually amount to many times the cost of maintenance. While the decision-makers realize that this practice is "penny-wise and pound-foolish." they are frustrated in that there appears to be so few areas in which retrenchment can take place without affecting full-time certificated employees and/or educational programs.

10) In all but one instance library book acquisitions were cut back twenty to eighty percent. Two schools of thought seem to prevail pertaining to a possible danger in this area of retrenchment:

    a) Books not purchased this year may be out of print next year and unavailable forever no matter how much money is put back into the library budget. Also, the same book may cost more next year. A permanent loss of these books could affect the quality of our libraries in the future.

b) Library books are not being utilized today as they have been in previous years. Instructors appear to not be giving out reading lists like before. Libraries appear to becoming learning centers equipped with televisions, cassett players and other forms of individualized learning aids. A computer printout pertaining to the use of library books today is often found to be an eye opener. Besides, most books can be obtained from other lending sources in a matter of days if the need is great enough.

11) Student enrollments appear to be on the decline. Head count may be up in many cases but A.D.A. appears on the down trend.

This situation exists because of two reasons:

a) Population decline. Grade schools and high schools are closing throughout the state except in isolated areas.

b) The cut back in class schedules limits a student's opportunity to take the classes of his choice at a time of his convenience. Facing a conflict in a time schedule he simply does not enroll in that class(es).

My concern here is that some day Sacramento will again create a formula that will in part be based on A.D.A. (or head count). It is felt by most whom I talked with that any consideration of attendance figures will not be based on academic year '77-'78 attendance but on '80-'81 (or some other year) and will lower the base upon which your income is figured. If this does happen it behooves us now to find ways to recruit students (and hold larger classes in order to keep costs down) so that enrollment figures will not continue their downward spiral.

12) About one-third of the colleges I visited were found to have their faculties unionized. In every case but one I also found low faculty morale. There was also a low threshold of credibility that appeared to exist between the administration and the board on the one hand and the union negotiators and the faculty on the other hand. I was not given any explanation for this condition.

Where collective bargaining did not exist, I found the opposite condition. It came as a surprise to me to view the high degree of credibility that existed between faculty and management on non-unionized campuses. It appears that management has put their cards on the table and said to the faculty, "Folks, there it is and that is all there is. Let us work together to save jobs and put together the most cost effective and service effective institution that we can." The attitude of the faculty has in nearly every case been positive.

In spite of the above temporary situation, and given the same prognosis for future funding as exists today I must offer the following prediction:

> If sufficient funding is not forthcoming during the next two years and full-time certificated positions become threatened then faculty unionism will rapidly spread. Instructors will accept the promise of the union promoters which is, "Unionize and we will cloak you in the security blanket of the union contract which will protect what you already have. And, we may even get you more of the same."

I believe that faculty members feel threatened by Proposition 13. Without some guarantees of security, they may well abandon the "happy family concept" and opt for the security of the union contract.

Some trustees and college presidents told me, "It will not happen at my college!" I have news for them. It has happened at other institutions and to similar trustees and presidents who had also said, "It will not happen at my college!"

Those same people tell me today, "It did happen. I am now convinced that it can happen anywhere, on any campus and in any given state in the union." They make no exceptions to that claim.

Let us hope that I am wrong in that prediction. Once that collegiality and the "happy family concept" is lost on a campus and is replaced by the labor vs. management concept something mighty precious is lost. Attitudes change. The "we" approach to community college education is replaced by the "we vs. they" approach. I do not see how that kind of attitude cannot help but spill over into the classroom. I believe that confrontation psychology just has to effect the quality of education in a negative manner.

However, I can well understand that desperate people will adopt desperate measures when their jobs are threatened. Like I said before, "The hard decisions, in California, haven't even begun to be made as yet."

CONCLUSION

That "baker's dozen" fairly well makes up my perceptions, concerns and predictions. However, I was asked by some presidents to pass on the following concerns:

1) "Tell trustees to become more sophisticated in their operation of the board of trustees, I need all of the help I can get."
2) "Even though we used up all of our reserves we will not drop our membership in community college education associations. We need those organizations now more than ever for trustee education programs."
3) "Ask trustees not to come to board meetings with their own hidden agendas. We used to have a unified board but now most of our votes are split votes."
4) "While I cannot prove it I suspect that some trustees may be representing special interest groups rather than representing all citizens in the community."
5) "Suggest that trustees get their act together and become more politically militant."

A word of caution: I heard that some colleges actually sent out layoff notices last year to numerous full-time certificated faculty members - then later rescinded them. That practice must have greatly lowered morale on those campuses. The temptation may be to try it again this year. I urge reconsideration. Many presidents and trustees told me that they received far more money this year than they expected. They expect even more next year - in spite

of what the governor says.

"Bail-out" money is expected to continue to increase because of California's booming economy. Of course this situation can change if the expected recession materializes sooner than predicted.

There appeared to be no uniformity of approach to the Proposition 13 challenge. One college wanted to vote in January whether or not to hold summer classes this year. At the other extreme was the president who acted as if it was business as usual. He had no contingency plans at all and felt that he could cope with any situation if and when challenged.

When I left California, I came away with the feeling that I was more concerned with the method used to plan for retrenchment rather than the actual plans themselves. While I encourage you to expand the dialogue with faculty, students, staff and citizens, I realize that the final decisions must rest with the district board of trustees as recommended by the administration.

Not everyone will agree with your decisions. But, if the general public perceives that those decisions were made fairly and the board wins their grudging respect, then you will have won a victory.

Fortunately, community college education in most states is entrusted to local lay citizen representatives. I believe that with their wisdom the best decisions will be made in the interest of students.

And, after all, it is students that we are all about!

"THE TAXPAYER'S CASE FOR TRUSTEE EDUCATION"

By
William H. Meardy
ACCT Executive Director

As a group, lay trustees are not professional educators. It is doubtful that even professional educators who serve on boards of trustees have sufficient tools of boardsmanship to meet the challenges that face our institutions today and to best meet the educational needs of students. Therefore, we taxpayers believe that lay boards must not only acquire the appropriate tools of boardsmanship but must continue to keep those tools updated and sharpened.

A good many board members are employers in their own right. When they hire employees they expect them to come on the job with the appropriate tools of the trade. While these people are employed, it is assumed that these same employers will expect employees to keep their tools sharp and to obtain the latest needed tools while they are on the job.

Taxes contribute a large percentage of support for our public colleges. Trustees are either elected or appointed to govern these institutions. We taxpayers have a right to expect that governing board members obtain the necessary tools of boardsmanship in order to best hold in trust the huge business enterprise that community colleges represent. The initial investment in our colleges amounts to millions of dollars. It would take more than double that initial investment to duplicate or rebuild most of those campuses as they now exist. Trustees annually approve many millions of dollars in a yearly budget. Therefore, taxpayers expect trustees to know what they are doing. Taxpayers do not believe that trustees can do the best possible job unless trustees belong to organizations that are specifically designed to meet lay educational needs. And, once trustees belong to those organizations, they should actively participate in organizational activities in order to benefit from the educational programs and services that are offered.

If governing boards allot $10,000 to $20,000 a year in the college's annual budget for trustee travel, the purchase of trustee educational materials, and association membership, and they look at that money as a percentage of the college's annual budget, it is unbelieveable that anybody would say that that is an unreasonable expenditure of the taxpayers' money. In fact, we taxpayers will be critical of any board that does not spend sufficient funds on the acquisition of appropriate trustee tools of governance. Other taxpayers know that you will agree with them that this argument is unassailable.

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